

## Media Release

For immediate release

# UNFCCC Observers insist on rules for climate finance

(Lima, Peru – 3 December 2014) - Observers at UN Climate talks in Lima have called for strong and clear rules relating to climate finance after a scandal shows Japan is claiming funds to a coal-power plant as being 'green.'

The UN Conference is considering both general rules for reporting of climate finance and giving direction to the new Green Climate Fund GCF to ensure its money is not spent on projects that cause climate change – like coal-fired power plants.

This follows a push by people across the world, starting last May, to ensure the Green Climate Fund has strong rules to stop 'climate finance' going to climate polluting projects.

The campaign, led by organisations in developing countries, calls for an 'exclusion list' or a list of projects that cannot receive funds as they do not align with the fund's objectives. More than 250 organisations signed a letter sent to the Green Climate Fund board.

"Our demand is clear, financing any fossil fuels and harmful energy through the GCF is unacceptable. It is fundamentally in conflict with the mandate provided by the Governing Instrument for the GCF and the principles of the UN Framework Convention on Climate Change (UNFCCC)." **Lidy Nacpil, Jubilee South, Asia Pacific Movement for Debt and Development.**

"At its next meeting in Korea, the Board must take up the Exclusion List proposal to ensure that it never has to deal with embarrassing revelations of climate finance supporting coal-fired power plants – revelations that would destroy the Fund's reputation and legitimacy." **Brandon Wu, senior policy analysts for ActionAid USA.**

"Dirty energy is poisoning the climate and local communities. It is essential that climate finance be used for energy transformation instead of funding dirty energy projects that aggravate climate change. Hundreds of social movements and civil society organisations from developing countries have demanded that the GCF exclude dirty energy from its funding. This is essential and rules must apply across the UN as a whole." **Godwin Ojo, director of Environmental Rights Action in**



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“Unions support the use of public funds in the GCF provided they accelerate the transition to a sustainable economy; and this despite the economic crisis. We do not accept that governments could use taxpayer resources for objectives contrary of those of the GCF.” **Anabella Rosemberg, Policy Advisor, International Trade Union Confederation**

“Coal is a climate problem, not a solution. All countries in the European Union, and in particular Germany, France and the UK should learn from this scandal - and ensure that both European and national export credit agencies, investment and development banks have rules in place in 2015, to prevent further funding of coal projects.” **Ruth Davis, Political Director, Greenpeace UK.**

“We know how effective climate finance can protect the poorest people in the world from the devastating effects of climate change and help push the global economy away from fossil fuels because we see it in action every day around the world. But finance only works with clear rules to ensure countries are accountable and transparent about where their money goes.” **Kelly Dent, Lead for Oxfam International at the UNFCCC COP20, Oxfam International**

“Funds for a coal power plant cannot be called climate finance, Japan must stop pretending to help the planet when it could actually be hurting people. It needs to stop all coal financing in general and it should be helping some of the poorest people in the world who desperately need energy - by increasing finance for renewable energy across the world. This would be a win for both people and the planet - and have the full support of the Japanese people.” **Yuri Onodera, Campaigner, Friends of the Earth Japan.**

“We cannot allow the fossil fuel industry, whose products are the main cause of climate change, to take the limited funds intended for responding to the devastating impacts of climate change, especially on vulnerable people whose lives and livelihoods are most affected. Renewable energy must be prioritised in the distribution of climate funding and fossil fuels excluded. It defies reason that we have to raise this issue with the UNFCCC/GCF at all.” **Samantha Smith, Leader, WWF's Global Climate and Energy Initiative.**

“The need for adaptation finance is not just a future requirement, it is a present reality for the world's most vulnerable people and it cannot be siphoned off to fund more climate change causing fossil fuel projects.” **Mohamed Adow, Senior Global Advisor on Climate Change, Christian Aid.**

The call from observers came as the UN's own Standing Committee on Finance released a report that recommend the UN adopt clear definitions for what counts as



climate finance.

The Lima Conference is expected to take up the issue of guidance to the GCF on Saturday and more demonstrations are expected.

The topic of an “exclusion list”, or a list of projects that should not receive UN climate funds, will be under consideration at the next meeting of its board, scheduled for February 2015.

**[Read the letter to the Green Climate Fund here.](#)**

**About WWF** - WWF's mission is to stop the degradation of the earth's natural environment and to build a future in which humans live in harmony with nature. The Global Climate & Energy Initiative (GCEI) is WWF's global programme addressing climate change, promoting renewable and sustainable energy, scaling up green finance, engaging the private sector and working nationally and internationally on implementing low carbon, climate resilient development.